

AMENDED IN ASSEMBLY APRIL 13, 2009

AMENDED IN ASSEMBLY MARCH 27, 2009

CALIFORNIA LEGISLATURE—2009—10 REGULAR SESSION

## ASSEMBLY BILL

**No. 405**

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**Introduced by Assembly Member Caballero**

*(Principal coauthor: Senator Cox)*

*(Coauthor: Assembly Member Garrick)*

February 23, 2009

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An act to amend Section 32132.5 of the Health and Safety Code, relating to health care districts.

### LEGISLATIVE COUNSEL'S DIGEST

AB 405, as amended, Caballero. Public contracts: health care districts: design-build.

Existing law provides for local health care districts which govern certain health care facilities. Each health care district has specific duties and powers respecting the creation, administration, and maintenance of the districts, including to purchase, receive, take, hold, lease, use, and enjoy property of every kind and description of property within the district. Existing law establishes design-build bidding procedures for the award of construction contracts that, if adopted by a county, require the submission of information under penalty of perjury.

Existing law permits the Sonoma Valley Health Care District, upon the approval of its board of directors, to use a design-build procedure when assigning contracts for the construction of a building and improvements directly related to a hospital or health facility building at the Sonoma Valley Hospital.

This bill would allow a health care district, upon approval of its board of directors, to use the design-build procedure to assign contracts for the construction of a *hospital or health facility building or improvements directly related to the construction of a hospital or health facility building*.

~~By expanding the scope of an existing crime, this bill would impose a state-mandated local program.~~

*This bill would require specified information to be verified under oath, thus imposing a state-mandated local program.*

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: yes.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. The Legislature finds and declares all of the
- 2 following:
- 3 (a) Utilizing a design-build contract requires a clear
- 4 understanding of the roles and responsibilities of each participant
- 5 in the process.
- 6 (b) Cost benefits for health care districts are achieved by shifting
- 7 liability and risk for cost containment and project completion to
- 8 the design-build entity.
- 9 (c) It is the intent of the Legislature that the design-build process
- 10 be used by health care districts solely for buildings associated with
- 11 hospitals and health care and not for other infrastructure, including,
- 12 but not limited to, street, highways, public rail transit, roads,
- 13 bridges, other water resources facilities, and related infrastructure.
- 14 SEC. 2. Section 32132.5 of the Health and Safety Code is
- 15 amended to read:
- 16 32132.5. (a) Notwithstanding Section 32132 or any other
- 17 provision of law, upon approval by its board of directors, a health
- 18 care district may use the design-build procedure described in
- 19 Section 20133 of the Public Contract Code to assign contracts for
- 20 the construction of a ~~building or improvements directly related to~~

1 ~~construction of a hospital or health facility building.~~ *hospital or*  
2 *health facility building.*

3 (b) For purposes of this section, all references in Section 20133  
4 of the Public Contract Code to “county” and “board of supervisors”  
5 shall mean the health care district and its board of directors.

6 (c) A hospital building project utilizing the design-build process  
7 authorized by subdivision (a) shall be reviewed and inspected in  
8 accordance with the standards and requirements of the Alfred E.  
9 Alquist Hospital Facilities Seismic Safety Act of 1983 (Chapter 1  
10 (commencing with Section 129675) of Part 7 of Division 107).

11 (d) *Except as provided in this section, this section shall not be*  
12 *construed to affect the application of any other law.*

13 SEC. 3. No reimbursement is required by this act pursuant to  
14 Section 6 of Article XIII B of the California Constitution because  
15 the only costs that may be incurred by a local agency or school  
16 district will be incurred because this act creates a new crime or  
17 infraction, eliminates a crime or infraction, or changes the penalty  
18 for a crime or infraction, within the meaning of Section 17556 of  
19 the Government Code, or changes the definition of a crime within  
20 the meaning of Section 6 of Article XIII B of the California  
21 Constitution.